



General Assembly

**Substitute Bill No. 273**

February Session, 2008

\* SB00273INS\_031308 \*

**AN ACT CONCERNING REGULATION OF THE SECONDARY MARKET  
IN PHYSICIAN DISCOUNTS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective January 1, 2009*) (a) Any insurance  
2 company or health care center that enters into or renews a contract  
3 with a health care provider on or after January 1, 2009, shall include in  
4 such contract a provision specifically stating that such contracting  
5 entity may lease, rent or otherwise grant access to such provider's  
6 health care services and to the fees established in such contract.
- 7 (b) Each such contracting entity that leases, rents or otherwise  
8 grants access to a provider's health care services or fees shall:
- 9 (1) Maintain an Internet web site or a toll-free telephone number  
10 through which a provider may obtain a listing of the third parties to  
11 which such provider's services or fees has been leased, rented or  
12 otherwise granted access; and
- 13 (2) Upon request at the time of entering into such contract, provide a  
14 list to the provider of all known third parties to which such contracting  
15 entity may lease, rent or otherwise grant access to such provider's  
16 health care services or fees.
- 17 (c) Each contracting entity that leases, rents or otherwise grants

18 access to a provider's health care services or fees to a third party shall  
19 require by contract that each remittance advice furnished to such  
20 provider shall identify the source of any discount taken by such payer.

21 (d) Subject to any applicable continuity of care requirements,  
22 agreements or contractual provisions, a third party's right to exercise a  
23 contracting entity's rights and responsibilities under a provider  
24 network contract shall terminate on the date such contract is  
25 terminated.

26 (e) On and after January 1, 2009, all explanation of benefits and  
27 remittance advices, whether written or electronic, shall clearly identify  
28 the following:

29 (1) The name of the entity responsible for payment to the health care  
30 provider; and

31 (2) The name of the contracting entity through which the payment  
32 rate and any discounts are claimed.

This act shall take effect as follows and shall amend the following sections:		
Section 1	January 1, 2009	New section

**Statement of Legislative Commissioners:**

In subsection (e), "on or after" was changed to "on and after" for accuracy.

**INS**      *Joint Favorable Subst.*